

PROCUREMENT IMPROVEMENT TEAM

“The need for speed”

[illegible]



Bob's Boss



Bob

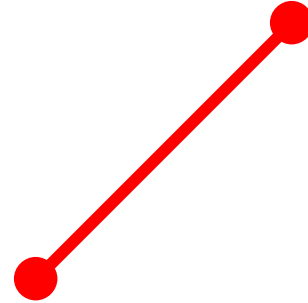


Bob's Boss



Section Orderer

*I'm leaving town for
a couple days, put it
on my desk, I'll sign
it first thing when I
get back.*

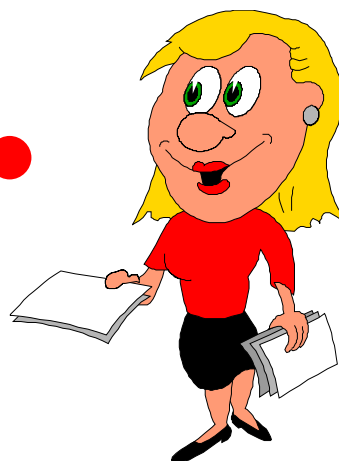


Bob's Boss's Boss

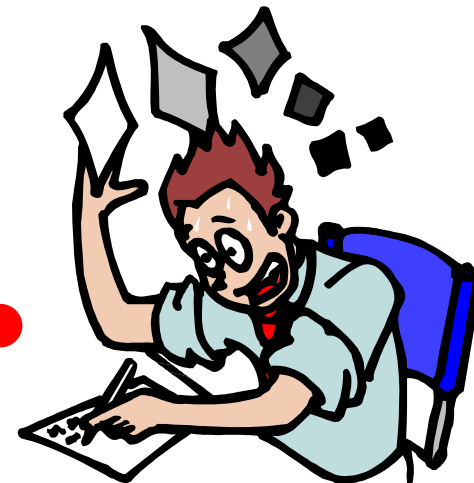




Section Orderer

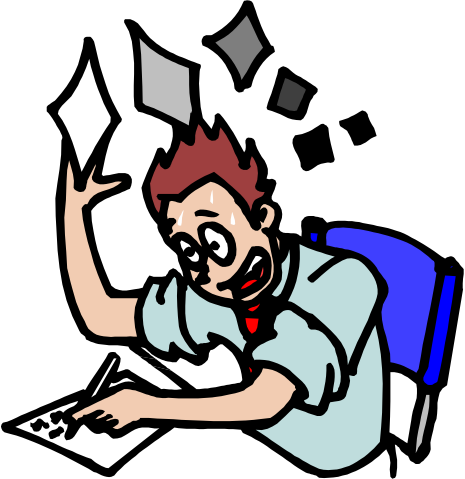


Procurement



Finance





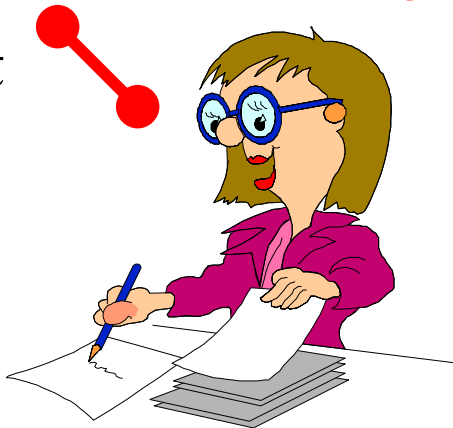
Finance



Procurement



Procurement

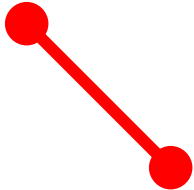


Equipment Number

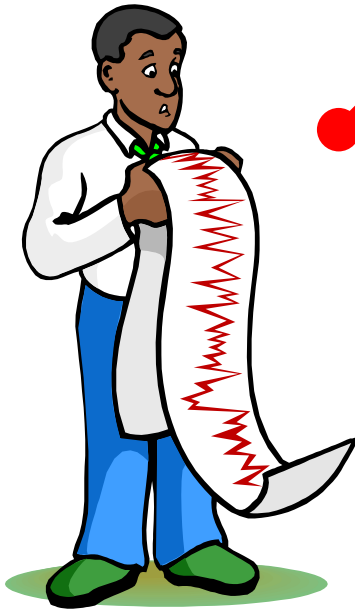




Procurement

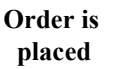
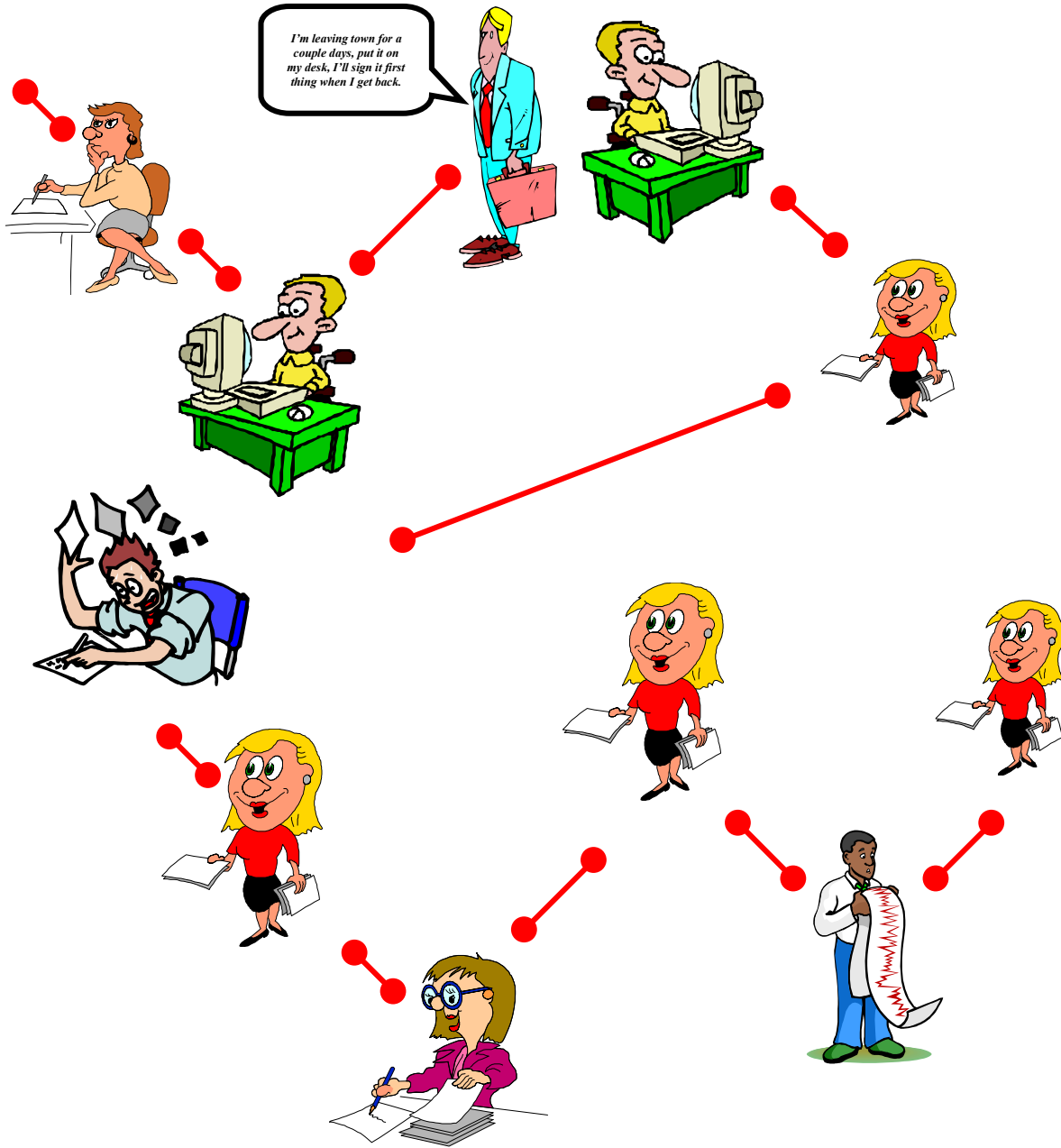


Procurement



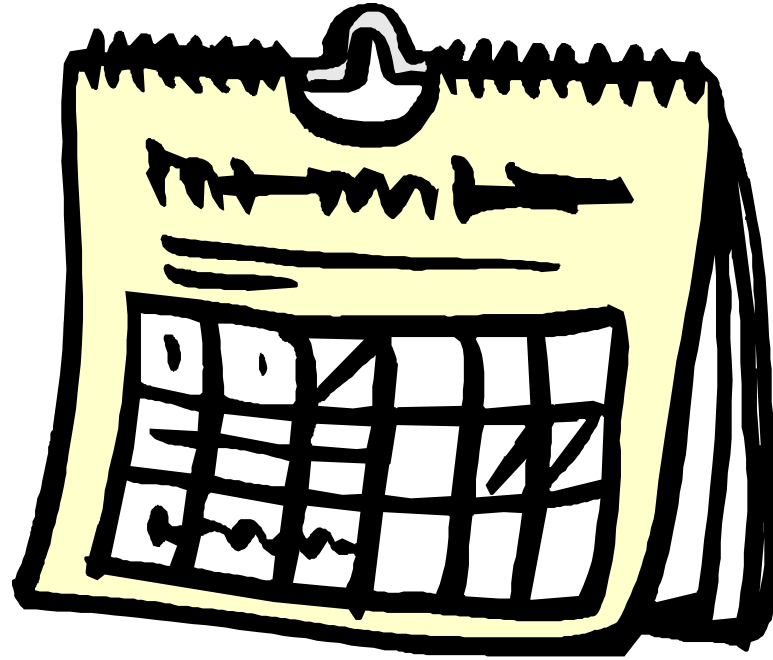
One More Look







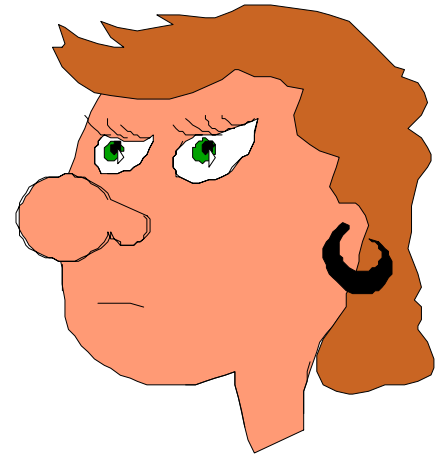
Bob



A Month or More

**What is taking
so long?**

**Who has the
order form?**



Meanwhile....

DOLIR Strategic Plan: Increase efficiency and customer satisfaction with department services.

The Division of Administration was looking at their KEY SYSTEMS and how they rolled up into the Strategic Plan

Key Systems:

Human Resources Procurement Printing Mailing

Formal Feedback

**Interviews led to Procurement
Procurement Measured to validate
Procurement could improve!**

The Charter

- **Current Situation**
- **Scope**
- **Desired and Undesired Outcomes**
- **Boundaries and Limitations**
- **Functional Areas**
- **Resources**
- **Deadlines**

Establishing and Developing the Team

Finding the Right Team Members

- **Pulled candidates from the different functional areas**
- **Interviewed them individually**
 - **Process Experience**
 - **Team Experience**
 - **Attitude Toward Initiative**
 - **Space Mountain Last Chance**
- **Chose the best candidates from each area needed**

Establishing and Developing the Team

First Meeting

- **Team Rules and Values**
- **Roles**
- **Team Mission**

The Mission of the Procurement Improvement Team is to Simplify the Procurement Process for DOLIR Divisions so that they obtain the supplies and return to full productivity as soon as possible.

The Game Plan

- **Staple ourselves to the product and walk through the process**
- **Collect data on everything we can**
- **Ask people what they want**

Walk Through

- **Physically follow the order from start to finish**
- **Map the work flow**
- **Ask questions**
- **Record the time it takes**
 - **Work Times**
 - **Elapsed Times**

Data Collection

- Which actions took the most time?
- Which had the largest gap between work time and elapsed time?
- Were there activities that did not add value to the process?
- Where did batches and bottlenecks Occur?
- How many and what types of orders were being effected?

Focus Groups

- **What are the attributes of a good Procurement System?**
- **Prioritize**
- **What do the highest priorities mean to you?**

We found:

2,444 orders in a year
for a combined total of no less than
81,988 hours
and realistically about
774,860 hours
waiting on paperwork to go through the system.

People wanted it in 2 days or less

Why so long?

Bottlenecks - Areas where it takes a long time before a MOD-25 can move to the next step

Batches - Where items sit until there are enough to process

Signatures - Levels of approval

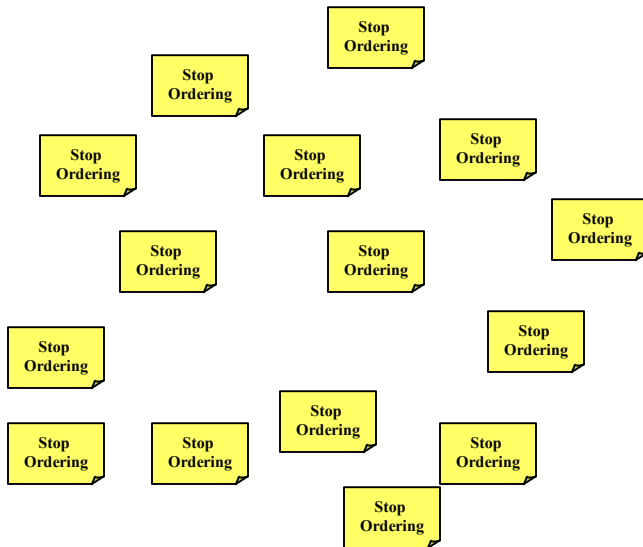
Tracking Numbers - Numbers assigned so we know what is where

Errors - Forms filled out wrong, or incomplete signatures. An estimated 1 in 5 needed to be reworked.

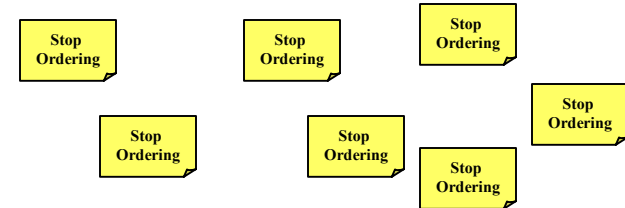
Selecting Alternatives

The Best way to get good ideas is to get
A LOT OF IDEAS

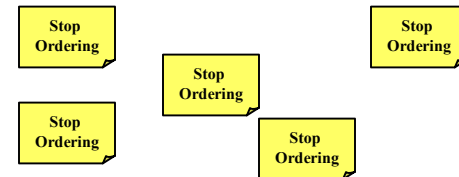
Freewheel Brainstorming:



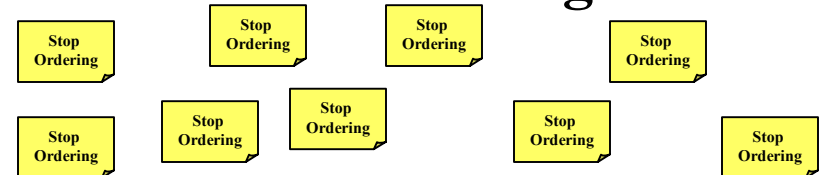
Thinking in Opposites:



Challenging Assumptions:



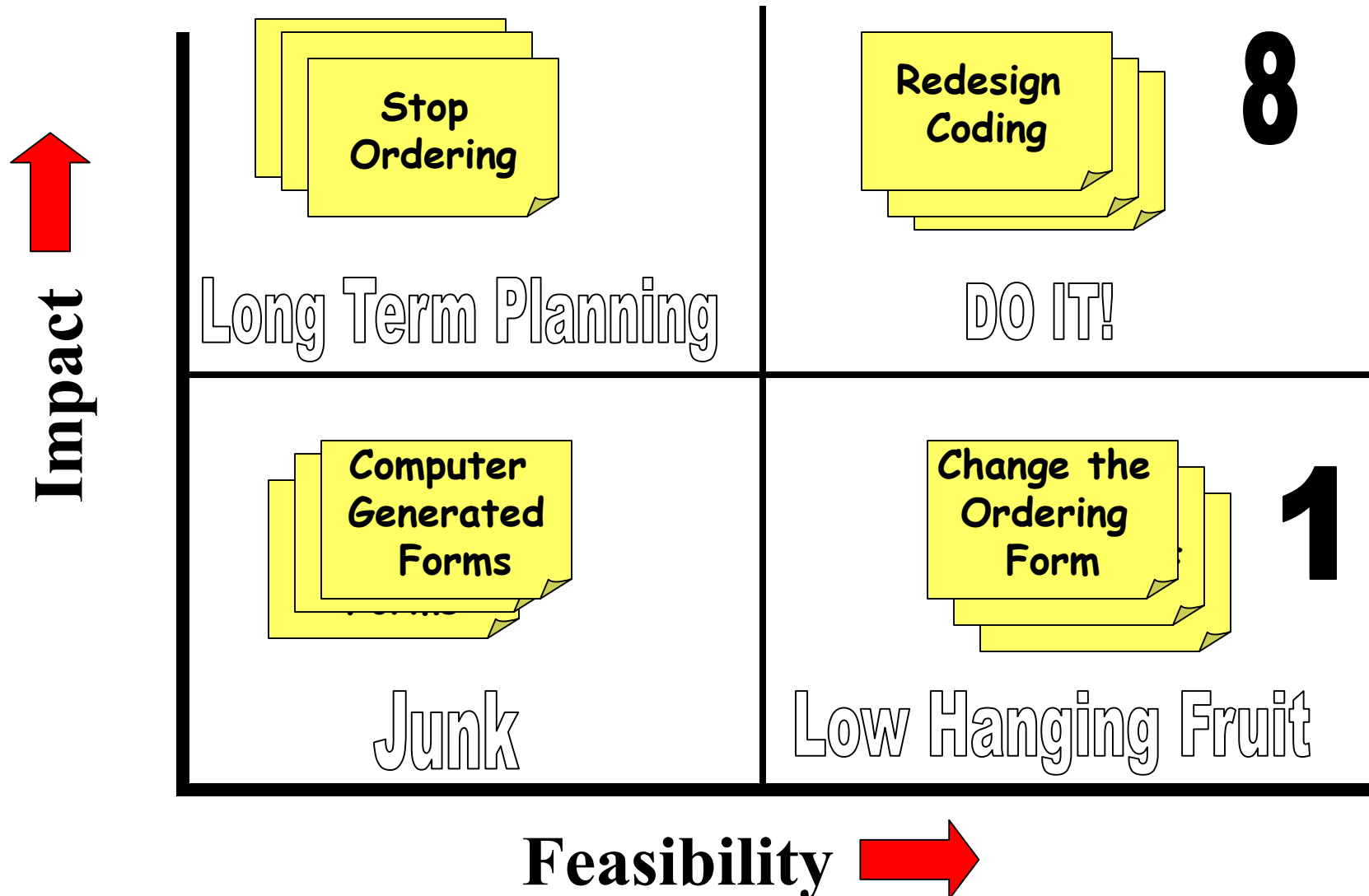
Virtual Benchmarking:



We brainstormed solutions... 125 of them

Selecting Alternatives

Then throw out the **Bad Ones**



Selecting Alternatives

Idea:

Sponsor:

Description:

Benefits (+)

Issues (-)

Feasibility: 1 2 3 4 5 6 7 8 9 10

Impossible

Could do it
tomorrow

Recommendation:

1. Write a brief summary of the idea.

2. Quantify the positives or benefits where possible.

3. Identify issues and ways to prevent or minimize the negatives.

4. Rate the feasibility of the idea.

5. Make a recommendation to the group about whether the idea should become a team recommendation.

Selecting Alternatives

Idea Matrix

[illegible]

We Took 9 to the Sponsor for Approval

- **Raise the Division Approval Levels**
- **Authorize 1 signature per division**
- **Train more IS staff to give quotes on computer equipment**
- **Develop a website for computer ordering**
- **Eliminate need for equipment number**
- **Train orderers to code forms**
- **Move applicable orders online**
- **Raise the Admin Approval Levels**
- **Flowchart process and train orderers**

Implementing Alternatives

Developing an Action Plan

	More Information Needed	Approve	Disapprove
Raise amount Div Dir need to approve		X	
Action	Deliverable	Responsible	Due Date
Director agrees to raise amount	Sponsor Idea Sheet	Robert	Oct 15th
Notify Purchasing	First order done between \$250 and \$1000 without signature	Robert	Oct 15th

How We Did It!

Sponsor solicited stakeholder BUY-IN

Trained and moved appropriate orders online

Eliminated need for equipment number

Redesigned the ordering form

We trained everyone in the new process



Bob



Bob's Boss



Procurement



Section Orderer



How's It Working?

90% of Orders are being processed
within 2 days

Nearly 63% of Orders are being processed
THE SAME DAY

How's It Working?

97% Improvement!

95% Error Free!

Not one penny other than team salaries!

Keeping an Eye on Things

- **Quarterly updates**
- **Address problems as they arise**
- **New teams going in other areas**



Bob's Boss is Happy

